

# The American Observer

*A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends. -- James Monroe*

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JUNE 23, 1941

## Russo-Nazi Moves Arouse Speculation

Europe Mystified by Conflicting  
Indications of War and Peace  
Between Two Nations

### BRITISH SUSPECT TRICKERY

Believe Hitler and Stalin May Be  
Attempting to Divert Attention  
From Real Point of Attack

In the town of Berne, Switzerland, last week, the offices of the Associated Press were busily attempting to track down rumors about new developments in eastern Europe. About midnight, a telephone call finally came through from Finland, in the far north. The voice from Helsinki was excited. "It is understood in well-informed quarters here," it began, "that Germany has enlarged certain far-reaching demands upon Russia. . . ." At that point the wire, which crossed Germany and the Baltic, suddenly went dead. Subsequent attempts to establish telephone communications with the Finnish capital were futile.

#### A Strange Turn

Thus the world got the first in a series of recent indications that relations between Russia and Germany had suddenly taken a strange turn. Travelers from Sweden reported long convoys of German troop ships moving north through the Baltic, presumably destined for Finland. From Sweden also came reports that women and children were evacuating Helsinki, fearing a Russian attack, and that the Soviet Baltic fleet had been put in a "state of alert"—which is to say, it had been prepared for sudden action. In some quarters it was quietly forecast that Finland would soon surprise the world by turning to Hitler for protection against Russia, and joining the Axis as well.

In the meantime, reports of a similar nature were coming from all parts of south-eastern Europe. Bucharest, Budapest, and Ankara reported hour after hour that German troops were moving into position along the German-Russian and Rumanian-Russian borders, that all roads between Rumania and Russia had been closed and mined by the Soviets. Turkish officials noted with interest that German troops were being withdrawn slowly from Bulgaria and sent to positions in Rumania, behind the Russian frontier. In the streets of Bucharest, super-patriots were telling glowingly of how the agricultural province of Bessarabia, wrested from Rumania by the Soviets last year, would shortly be returned, with German help. Clearly trouble was expected in this region also. There had been border incidents, and all Rumania was practicing blackouts.

By the beginning of last week experts at a distance were able to piece together a rough picture of the military situation on the still dormant eastern front. Hitler had established about 120 divisions on the German side, 25 Rumanian divisions in the southeast, about two regular divisions in reserve at railheads in various parts of central Europe. Facing these troops were approximately 155 divisions of the Red Army, some of them bulked along the Finnish border, but most of them holding the fortified line which runs from Lwow, in Poland, to Odessa on the Black Sea.

On the basis of these reports it appeared that Hitler was preparing to execute the long-studied "Hoffman Plan"—a systematic two-pronged invasion of Russia from the

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TRAINING FOR DEFENSE

FEDERAL SECURITY AGENCY

## Principle and Consistency

There are people who profit by experience. There are others who do not. There are those who, when they face crises, remember how they have met similar crises in the past. If their previous efforts were successful they adopt like practices again. If their earlier ventures failed, they change the program and do a bit of experimenting. They thus develop general rules or standards to go by. After a while their experiences will have covered a wide range. They will have come into possession of rules which will carry them through almost any emergency. They have thought out most, or at least many, of the problems they will have to meet. When a time for action comes they act in accordance with the standards which they have built up. They may be said to be principled. They have philosophies of life.

There are others who lack either intelligence or character enough to build a philosophy of life. They have as many experiences as do their principled friends, but they learn no lessons from these experiences. They do not study the results of different acts and then generalize as to which sorts of behavior are best. When a new situation arises they deal with it on the impulse of the moment. They act as if similar problems had not been met before. They act capriciously. They have no ruling, guiding standards against which each day's conduct is to be squared. They may not be unprincipled in the common sense of that term. They may not choose courses which are selfish or base or ignoble on all occasions. But they are unprincipled in the sense that they are not held to a steady and dependable course by adherence to predetermined rules of conduct.

The unprincipled person will resort to little dishonesties and follies which seem to offer, and may actually offer, immediate rewards. The man of principle will scorn temporary advantages which involve the violation of trusted standards. He will see that, in the long run, greater satisfactions will come through adherence to rules of honesty and fair play. Without being priggish and without being so rigid in his rules as to make an automaton of himself he will get into the habit of acting according to standards and of working for results which are to be realized over a long period of time. These two types are to be found in political as well as private life. Many of our politicians are pleasant and well-meaning men, whose weakness as public servants lies in their opportunism. Lacking the poise and steadiness which come from long reflection, they lose sight of major objectives and methods in looking for present gains. The man or woman, boy or girl, who wins the enduring confidence of associates, is the one who acts in accordance with ideals which have stood the test of reason and the test of time. Such a one is governed by principle rather than caprice or chance.

## Program of Training Workers for Defense

U. S. Moves on Many Fronts to  
Build Gigantic Industrial  
Army to Man Plants

### PRIVATE INDUSTRY ASSISTS

Many Companies Establish Training-  
Within-Industry Systems to  
Promote Speedy Training

Quietly but nevertheless impressively, a tremendous program of training workers for defense industries has been going forward during the last year. More than half a dozen government agencies are cooperating in this effort to turn out skilled workers to man the machines which are making implements of war. The cooperation of private industry has been solicited and obtained and the results thus far obtained are impressive. An army of workers, an industrial army, is being trained to supply the guns and planes and tanks and all the other materials needed by the military and naval forces of the nation.

#### Skilled Labor Needed

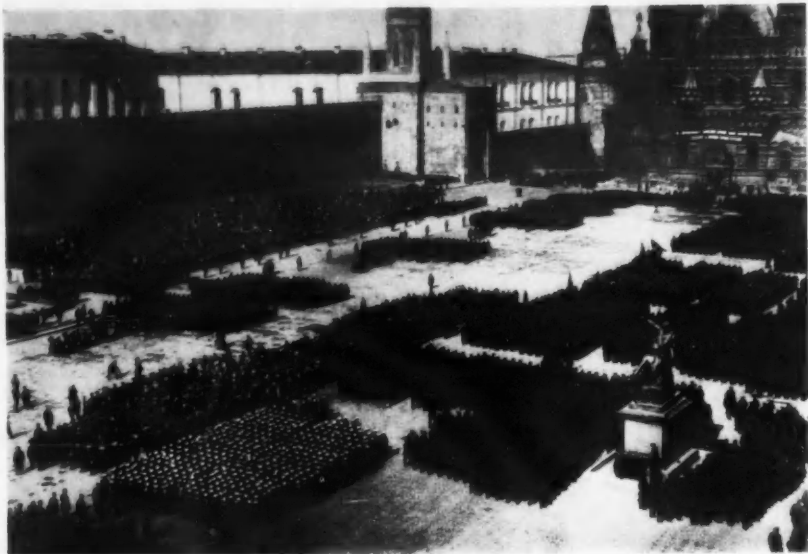
When the defense program was launched a little more than a year ago there was an enormous reservoir of unemployed workers. But rather than being an asset, unemployment was in certain respects a liability to the defense program. Many of the workers had been idle for years. Some of them had never acquired skills which might be used in producing defense materials. Others had turned to other occupations and had lost their proficiency in the skills. Even skilled workers frequently did not possess the particular skills required. For, it must be remembered, defense equipment differs markedly from ordinary peacetime equipment. Modern tanks, airplanes, warships must be made with exact precision. Hundreds of skilled trades are involved, many of them scarce.

As a matter of fact, the ratio of skilled labor to unskilled labor is much higher in a war economy than in normal peacetime production. Whereas in normal times, our industries require from 20 to 25 per cent of skilled labor and a similar proportion of semi-skilled workers, the defense program calls for 37½ per cent of highly skilled and 37½ per cent of semi-skilled workers. It became apparent, therefore, that a gigantic program of man-power mobilization would be necessary if the defense program were to succeed.

How is the government meeting this demand? How is this essential industrial army being trained? Chief responsibility for training the workers for defense rests with Dr. Floyd W. Reeves, director of the American Youth Commission, who is serving as head of the Labor Supply and Training Division of the Office of Production Management. The task of Dr. Reeves is to find ways to set up schools and apprenticeship systems which will turn out the required workers. He had to obtain the cooperation of the government agencies which had facilities for such a training program and to work with private industries in meeting the needs. Dr. Reeves a few days ago outlined the needs of the program in the following words:

From the beginning it was apparent that our national asset of skill was in a considerable state of depletion. The fundamental machine-tool industry, which was certain to be called into play as never before, had employed for some years—years during which there had been but little plant enlargement or equipment of new plants—an average of

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THE RED ARMY IN MOSCOW — 1931

GALLOWAY

## Historical Backgrounds

By David S. Muzzey and Paul D. Miller

### Russo-German Relations Since the World War

**R**ELATIONS between Germany and Russia since the close of the World War, have fluctuated between the extremes of friendship and the bitterest hostility. If these spectacular shifts of policy have now and then puzzled outsiders, they have never been the product of mere whim. They have been most painstakingly calculated in both Berlin and Moscow.

The end of the World War ushered in a period of intimate collaboration between Germany and the Soviet. This was natural enough. For different reasons, the Second Reich and the Soviet Union each found itself an outcast power in the 1920's. The four-year struggle between the Allies and the Central Powers had embittered Western Europe against the German people, whom it held responsible for the war. Every one of the Allies gave lip service to the ideal of a reconstituted



DAVID S. MUZZEY

world, dedicated to peace and democracy, but all were equally determined to prevent Germany from emerging once again as a military power.

#### Outcast Powers

Russia had fought with the Allies against Germany. But the overthrow of the Czarist regime, the signing of a separate peace between Moscow and Berlin in 1917, and, above all, the creation of a dynamic Communist government had turned Western Europe against Russia. The mistrust of Germany and the Soviet that animated the remainder of Europe was highlighted at the 1922 Genoa Conference where the German and Soviet delegates were treated with scorn, although the meeting had been called in the hope of securing their support of international economic agreements.

In the conviction that the conference would achieve nothing at all, the German and Russian delegates decided upon a special meeting of their own at the little town of Rapallo. To the astonishment of the world and while the Genoa conferees were still dickering over empty formulas and questions of procedure, the Russians and Germans announced that they had reached an agreement of their own providing for an exchange of diplomatic representatives and greatly expanded trade between them.

The Rapallo meeting spelled the end of the Genoa Conference; but for the Soviet and Germany it meant the beginning of a decade of collaboration. The Soviet, embarking upon an industrialization program, needed the machinery and engineering skills which the Reich could provide. The latter,

in turn, was anxious to obtain Russian food stocks.

These exchanges were not confined to the economic sphere. The German army leaders, in the belief that their country's defeat in 1918 was due partly to its having to fight on two fronts, made tentative gestures for a military alliance with the Red Army. They were sure that with an industrialized Russia as an ally, they could eventually take revenge upon France and Britain and establish German domination of Europe.

The Kremlin, for its part, regarded an understanding with Germany as useful to its own purposes. The Third Reich, dispirited by defeat, hungry, jobless, and confused, provided inviting soil for the spread of Communist doctrine. Moreover, it served as a buffer against the victorious Allies, whose capitalist economies Russia greatly feared.

#### The Hitlerian Period

It is hard to say what might have happened in Europe had Moscow and Berlin translated their military contacts into a full-fledged alliance. The rise of Adolf Hitler and his National Socialists to power in 1933 put an end to the Russo-German friendship. Hitler was bitterly anti-Communist and he exploited his sentiments to the full. By representing himself as the barrier against the surge of Communism toward Western Europe, he secured the acquiescence of British and French statesmen in rearming Germany, in violation of the postwar treaties. German rearmament, coupled with an outspoken anti-Soviet policy in Berlin, forced Josef Stalin to make a complete about-face in his own policies.

In 1934, the Soviet joined the League of Nations, in an initial move to rally the democratic powers against the menace of fascist aggression. Communist groups in France, Britain, Spain, and the United States were ordered to play down their anti-democratic and anti-capitalist doctrines. Instead, they were to work in each country for the organization of a "popular front" against fascism, which meant primarily against Germany. But that policy turned out to be a failure, for in spite of the "popular front" movement, Germany was able to continue its vast armament program until, in the fall of 1938, it was able to defy both Great Britain and France and force a settlement of the Czechoslovak question.

Munich aroused Britain and France to the fact that they had neglected their defenses. They sought to fill that breach by a system of alliances, including one with the Soviet Union. But then in August 1939 Moscow let loose a bombshell by announcing a Russian-German nonaggression pact. A week later, the Nazi armies invaded Poland to set off the present war.

## "Sea Power in the Machine Age" Is Subject of Comprehensive Study

**B**ACK in the year 1845, Lord Palmerston found occasion to pause and reflect upon the dangers confronting Great Britain. Lord Palmerston was generally a level-headed man, but he was worried about the transition from sail to steam on the high seas. More specifically he was concerned about the French. They were building steamships, and like most Englishmen of his day, Palmerston figured they were up to no good. "Steam navigation," he said sadly, "has rendered that which was before impassable by a military force (the English Channel) nothing more than a river passable by a steam bridge."

Lord Palmerston's fears later turned out to be somewhat premature. He was too pessimistic to foresee that England would far outdistance France in the building of steamships, and that her plentiful supplies of bunker coal in various parts of the world would establish her as the great maritime power of the steam age. But he did sense the importance of the transition, and at a time when British shipmasters were snorting angrily about the "dirty" trade—the smoking, sooty steamers with their coal bunkers, their pounding engines and sweating "black gangs." Something was coming which would alter the entire concept of naval warfare, and he knew it.

Very few people possess sufficient technical knowledge to grasp the importance or unimportance of a new invention. That is understandable. But it is also true that not many people have taken the trouble to acquaint themselves with the effects of technical advances in the past. To fill in this important gap as it relates to sea power, Bernard Brodie has written a book of unusual interest—*Sea Power in the Machine Age* (Princeton University Press, \$3.75), a work sponsored by the Institute for Advanced Studies at Princeton.

According to the author, there have been five major technical developments which have revolutionized naval warfare and caused important shifts in the centers of world power within the space of about a century. These include (1) the transition from steam to sail; (2) the substitution of iron for woods in the hulls of ships; (3) the development of heavy armor and great guns; (4) the submarine, and (5) the airplane.

Dr. Brodie's relation of the effect of these developments on history is a little academic and not always clear in outline, but the story he tells is particularly interesting at this period of world history. It is interesting, for example, to read of the invasion fears which swept England with the coming of the steamship, and of the Anglo-French rivalry which followed. To the author's way of thinking these fears were futile, and he quotes Winston Churchill to the effect that "In the days of Napoleon . . . the same wind which would have carried his transports across the Channel might have driven away the English blockading fleet." To that extent the development of the steamship was all to England's advantage. But here, perhaps, the author misses a point, for the prevailing winds of the Atlantic and North Seas

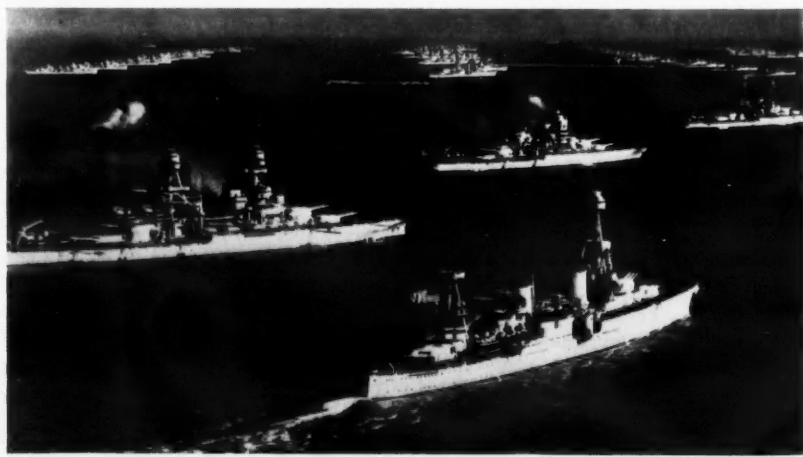
had enabled British sailing warships to maintain the favorable "windward" position off French ports and in relation to the French fleet for centuries. This advantage died with the coming of steam.

But Britain had the coal for steam engines, and when the building of iron ships came along, she had the ore, the forges, the skilled workmen, and the blast furnaces. These stood her in good stead also when naval architects began to devise great belts of protective armor, and to mount heavy naval guns on super-dreadnaughts. In half a century the tall sailing ship had given way to the monster battleship, wide of beam, settled deep in the water, carrying a thousand men, 16-inch-thick armor plate, and a battery of great guns able to hurl salvos far beyond the horizon. Any nation could build a sailing ship; only a few could afford dreadnaughts.

"It was an old maxim in the British Admiralty," writes the author, "that Great Britain ought never initiate any naval innovation destined to render existing materiel obsolete, but that she should be prepared to outstrip any other power that might introduce such a change." However well this maxim may have worked in the early days of steam, it no longer held so valid when Germany began to turn out dozens of undersea raiders and then, more recently, when aircraft began to play an important—and often decisive—role in naval warfare. For Germany has held the lead under the sea and over it. Britain's surface superiority has become precarious as a result. It is interesting, though sobering, to note that Britain's most striking naval victories in the war so far have (with one exception) been due chiefly to temporary air superiority over her enemy—at Taranto, off Cape Matapan, and in the case of the *Bismarck*, which was rendered helpless by a hit on her rudder scored by a torpedo plane, and thus immobilized until the Royal Navy could come in for the kill.

Dr. Brodie mentions these new developments in the last chapters of his book (and his sources contain some quite recent material), but it is too early yet to measure the ultimate influence of the submarine and the airplane on sea power and world politics. That these late developments have caught Britain at a disadvantage is obvious. But to the United States, the inference is clear, they can be of greater help than hindrance. Even today, with all our backwardness, the United States Navy has advanced much farther in ship-and-air coordination than any other power.

In brief, the development of steam, of heavy armor and great ordnance, of the submarine and airplane has vastly extended the theater of sea warfare. The war on the seas has already become a war of continents, rather than countries. Britain is blockading a continent and the Axis is trying to destroy a great world empire. The United States and Japan, potential enemies, look upon a Pacific war as one of continents. Only great empires and continental powers can maintain the gigantic naval battle lines of today, and these can be counted on the fingers of one hand.



AMERICA NOW LEADS THE WORLD IN SEA POWER

ACME

# The New U. S. Supreme Court

H. & E.  
CHIEF JUSTICE HARLAN F. STONE

It is interesting and important to observe the changes which have occurred in the make-up and policies of the Supreme Court since President Roosevelt came into office. By doing so, we see what great influence he has had in reshaping the character of that judicial body in recent years. We are also impressed by the fact that the President has been as free in breaking precedents in his relations with the Supreme Court as he has been in all his other activities. The following facts are interesting in this connection:

The President has appointed more justices to the Court (seven in all) than any Chief Executive since George Washington. He selected the youngest justice, William Douglas, now 42, to sit with that esteemed body in more than 125 years. His recent elevation of Harlan F. Stone to the Chief Justiceship was only the second time in the history of the Court that any associate justice has been promoted to that high post. Finally, the Court, as a whole, has seldom, if ever, been composed of younger men than it is today.

## Roosevelt Appointees

But the most important of these facts is the sheer number of appointments which President Roosevelt has had the opportunity of making. Only two members left on the Court were chosen by presidents who preceded him. They are Harlan F. Stone, who was selected by President Coolidge in 1925, and Justice Owen J. Roberts, chosen by Herbert Hoover, in 1930. And even though President Roosevelt did not appoint Mr. Stone, he is responsible for his elevation to the Chief Justiceship.

For the record, we are printing a list of the Roosevelt appointees to the Supreme Court, together with information on when they were chosen, what they were doing

H. & E.  
OWEN J. ROBERTSH. & E.  
HUGO L. BLACK

at the time of appointment, and whom they replaced:

1. Hugo L. Black, nominated August 12, 1937; was serving as Democratic senator from Alabama at the time; replaced Willis Vandevanter, who retired because of age.

2. Stanley F. Reed, nominated January 15, 1938; was serving as solicitor general of the United States at the time; replaced George Sutherland, who retired because of age.

3. Felix Frankfurter, nominated January 5, 1939; was serving as professor of law at Harvard University at the time; replaced Benjamin Cardozo, whose death removed him from the Court.

4. William O. Douglas, nominated March 20, 1939; was serving as chairman

of the Securities and Exchange Commission at the time; replaced Louis Brandeis, who retired because of age.

5. Frank Murphy, nominated January 4, 1940; was serving as United States attorney general at the time; replaced Pierce Butler, whose death left a vacancy on the bench.

6. James F. Byrnes, nominated June 13, 1941; was serving as Democratic senator from South Carolina at the time; replaces James McReynolds, who retired last January because of age.

7. Robert H. Jackson, nominated June 13, 1941; was serving as United States attorney general at the time; will replace Harlan F. Stone, who will become Chief Justice in July.

## Conflicting Views

These men, considering their comparative youth for Supreme Court justices, may be expected to control the decisions of that body for a number of years to come. This is a decisive victory for President Roosevelt, because it has not been very long since the majority of justices were opposed to his views on how the Constitution should be interpreted. They contended that certain New Deal laws gave the federal government too much power over industry and agriculture. Such laws, they maintained, took away long-established rights and privileges which were meant to be left with individuals and states.

President Roosevelt and other New Dealers took a different position. They said that the founders of the Constitution intended that the federal government

H. & E.  
STANLEY F. REEDH. & E.  
FELIX FRANKFURTER

should deal with problems which could not be successfully handled by individuals and states—problems which concerned the national welfare. Only the federal government, they argued, is capable of tackling the gigantic problems of modern industry and modern depressions. It was said that the Constitution should be interpreted in this way.

Furthermore, the New Dealers refused to concede that the government had no authority, under the Constitution, to control the operations of industry and agriculture. They pointed to the section of the Constitution which says that Congress shall have the power to regulate commerce between the states (interstate commerce). This clause, they claimed, gives the government power to regulate any business or industry or farm which carries on operations across state lines. According to this interpretation, nearly all the larger business and industrial concerns of the nation, together with farms which raise wheat, cotton, corn, and other products to be sold throughout the nation as well as the world, could be regulated and controlled by the federal government.

Several members of the Court agreed with the New Dealers on this issue. The majority, however, did not. They argued that the government's power to regulate

H. & E.  
WILLIAM O. DOUGLASH. & E.  
FRANK MURPHY

commerce between the states meant only that it could regulate those industries which actually carried goods across state lines, such as railroads, buses and trucks, airplanes, and other transportation agencies. The Court majority, therefore, overruled several important New Deal laws designed to regulate agriculture and industry during the depression era.

The New Dealers claimed that this was a narrow and absurd interpretation of the Constitution. They sharply attacked the views of the majority of the justices. Thus, the Supreme Court became the center of a great national controversy. President Roosevelt supported a bill in Congress to increase the membership of the Court, so that he could appoint a majority of justices

H. & E.  
JAMES F. BYRNESH. & E.  
ROBERT H. JACKSON

who would interpret the Constitution as he thought it should be. The Court bill was defeated in Congress, and it was generally felt that the President had lost his battle to change the viewpoint of the Court.

## Checks and Balances

It is also important to observe, however, that during the very time when President Roosevelt was appointing new justices to the bench and was thereby gaining its approval of New Deal legislation, Congress began to be more cautious and it became increasingly difficult for the President to push his measures through the Senate and the House. To students of government, the significance of the point we are stressing is that it indicates once again the effective controls and checks and balances which are an essential part of our system of government. When one branch of the government appears to be exerting too much power and authority, the other branches usually take steps to bring about a better balance.

# The Week at a Glance . . .

## Wednesday, June 11

Tension between Germany and Russia was reported as both countries massed troops on the border.

President Roosevelt announced that \$4,300,000,000 of the \$7,000,000,000 Lend-Lease fund had been allocated and that \$75,000,000 worth of supplies had been shipped.

## Thursday, June 12

President Roosevelt nominated Justice Harlan Fiske Stone to be Chief Justice of the United States Supreme Court, and James F. Byrnes and Robert H. Jackson to be associate justices.

The Senate passed an amendment to the Selective Service Act authorizing the President to seize plants for national defense and an amendment authorizing him to defer from the draft all men who have passed their 28th birthday.

The American consul at Pernambuco, Brazil, reported that the American freighter *Robin Moor* was undoubtedly sunk by a German submarine.

## Friday, June 13

The War Department asked that automobile production be reduced by 50 per cent in order to speed the defense program.

Secretary Hull made the sharpest rebuke yet to the Vichy government for fighting the British in Syria.

"I SNEAKED UP BEHIND HIM!"  
WOLFE IN COLLIER'S

## ♦ SMILES ♦

Mom—"Well, how was the picture, Sonny?"  
Sonny—"Terrible. I had all I could do to sit through it a second time."  
—CAPPER'S WEEKLY.

Male Straphanger: "Madam, you are standing on my foot."  
Female Ditto: "I beg your pardon. I thought it belonged to the man sitting down."  
—MONTREAL STAR

"Hasn't your wife been wearing a strange expression lately?"  
"Yes, I believe she's trying to look like her latest photograph."  
—SELECTED

Mom—"So you traded your nice new ball to Tommy Smith. What did he give you for it?"  
Sonny—"Oh, he promised to make me secretary of the navy when he's elected President of the United States."  
—CAPPER'S WEEKLY

Fisherman—"It's getting late, and we haven't caught a single fish."  
Second Fisherman—"Well, let's let two more big ones get away and then go home."  
—WALL STREET JOURNAL

Mrs. Brown displayed a large lamp shade she had just bought.  
Mrs. Brown—"Isn't that perfectly lovely, my dear?"  
Mr. Brown (looking anything but pleased)—"If you wear that to church tomorrow you'll go alone."  
—GRIT

"Your vacation doesn't seem to bother you."  
"No, my boss tells me when, and my wife where."  
—SELECTED

"I was outspoken in my sentiments at the club today."  
"I can't believe it. Who outspoke you?"  
—PATHFINDER

The new traffic cop had been told by his inspector to overtake and stop a speeding car. Ten minutes later he rang up to report: "Car was being driven by an actress. I stops her, pulls out my notebook. She snatches it, writes her autograph, and leaves me standing."  
—THE BUZZER

British planes blasted the German Ruhr region in the heaviest raid of the war.  
Germany's attitude toward the sinking of the *Robin Moor* was one of defiance.

## Saturday, June 14

President Roosevelt ordered the freezing of all German and Italian assets in the United States.

Tension between Germany and Russia increased.

## Sunday, June 15

Machinists working in shipyards on the West Coast defied President Roosevelt's call to return to their jobs.

Reports of a new economic pact between Germany and Russia were circulated.

In retaliation for American action, Italy froze all U. S. funds in that country.

## Monday, June 16

All German consulates and propaganda offices in the United States were ordered closed.

A new British offensive in Libya was reported advancing 40 miles beyond the Egyptian frontier.

## Tuesday, June 17

Orders were issued forbidding any German national to leave the United States.

The Allied drive in Syria was reported to be stalled.

# The Week at Home

## The U. S. and the Axis

Relations between the United States and the Axis moved last week to within one short step of a complete break. The defiant attitude with which Berlin sought to justify the sinking of the American steamer *Robin Moor* led President Roosevelt to take drastic action. First, he "froze" German and Italian assets in the United States. Then, he ordered all German consulates and propaganda agencies to lock up shop. Finally, he ordered immigration officials to bar the departure of German nationals from this country.

German and Italian assets in the United States are believed to total \$300,000,000 to \$450,000,000. Under the executive order, all these assets are placed under the control of the Treasury Department. Without its approval no funds belonging to German and Italian nationals can be withdrawn from any American bank nor can any of their property be transferred. Although Berlin and Rome have retaliated by "freezing" American assets in Germany and Italy, this counter-action is of limited practical effect, since American investments in the Axis countries have actually been under strict government control for some years.

In "requesting" the Reich government to close its consulates, the State Department



THE OLD RIVER STEAMER IS FAST PASSING FROM THE SCENE

in 1916, this country's collection of cargo vessels deserved no rank among the world's leading maritime powers. But before the war was over, vessels were coming off our shipways at the rate of 30 a month. In 1918 alone, the Shipping Board completed over 200 ships of over 1,000,000 of deadweight tons.

Yet even this World War achievement, startling as it was, is in some respects already being surpassed by the shipbuilding program in which we are now engaged. By next year there will be no less than 3,500,000 deadweight tons of shipping under construction in American yards. The present goal of the Maritime Commission is the completion, before the close of 1943, of 705 merchant vessels of all types, with a tonnage of over 9,000,000.

The measure of our capacity to produce ships for the Atlantic life lines is seen in the very marked expansion of American yards. In 1937, the United States had only nine active shipyards with a total of 44 ways capable of building ocean-going vessels. Before next year rolls around, our yards will have more than tripled and a total of 168 ways will be in operation.

Tonnage figures alone do not give a completely accurate account of how far our present marine construction effort outpaces that of the World War. As a result of vastly improved design, some of the new cargo vessels are said to be worth eight to 10 of the old World War ships. They are much faster. They have greater freight capacity per ton. And they are designed for extremely rapid loading.

## Wages and Living Costs

A widespread belief that living costs have far outpaced wages, as a result of the defense program, finds no support in the most recent studies conducted by the Department of Labor. A survey, conducted by the Department's bureau of labor statistics, shows that living costs in May were only 2.4 per cent above June 1940. At the same time, weekly earnings in manufacturing industries throughout the United States showed an increase of more than 15 per cent over those of a year ago.

This is perhaps only cold statistical comfort to the housewife who has to make her daily rounds to the grocery, the butcher shop, and the dry-goods store. But the Department of Labor points out that in the months of April and May alone, more than 800,000 workers in the United States received wage increases which more than compensate for the increase in prices.

## Mississippi Packet

Along the Illinois banks of the Mississippi, last week, the old packet boat *Golden Eagle* foundered and took her last plunge after striking an underwater reef. The *Golden Eagle* was not a beautiful boat. Wide of beam, slow to move, her tall funnels belching black smoke, she stood high

out of the water like a wagon, her one-time bright paints and elegant appointments having turned dingy with age.

But the *Golden Eagle's* passing has caused a little sadness among those who knew the Mississippi in former years, for she was the last of the old packet boats which played such a picturesque part in developing the middle valley, and which, according to the New York *Herald-Tribune*, constituted a "unique and striking feature" of American history:

They were vehicles of that teeming life that ebbed and flowed along the Father of Waters in the days "before the war"—meaning, of course, the Civil War. Gambler and planter, belle and slave, bandit of the Natchez Trace and wiry frontiersmen headed for Santa Fe or the wild upper reaches of the Missouri figured in the passenger lists; decks piled high with great bales were the South's proud affirmation that "Cotton is king." The passages these vessels made were not without their dangers; the old lists of packets show some were "worn out," but far more were "burned," "snagged," "sunk," "blown up," or simply "destroyed." The hazards of the shifting river were many, and the nonchalance with which crews and skippers toyed with the explosive qualities of steam engines and flaring oil lamps in hulls of matchwood filled out the melancholy tale. Fortunately, the old craft will always live in the prose of Mark Twain; nevertheless, there is reason to regret that the *Golden Eagle* has gone the way of the rest of her colorful breed.

The sinking of the *Golden Eagle* does not mean that river traffic along the Mississippi will come to a stop, of course. True, there are only three combination freight-and-passenger craft left on the river today, but traffic is being moved in barges towed by tugs in ever-increasing amounts. Some traffic experts believe the day may come when the United States will follow the example of Europe, and make greater use of her system of inland waterways.

## Air Corps Ferry

In the early months of the war, when the United States carefully observed the restrictions of neutrality, American-built planes purchased by Great Britain were

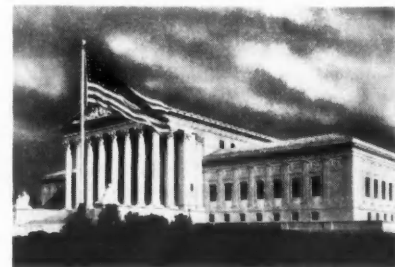
flown to the Canadian border and then dragged across the line into Canada by tractors. Later, as our commitments to Great Britain increased, the pretense of neutrality was completely discarded and American aviators piloted Britain-bound planes to Canadian airfields.

Now the United States Army, in order to speed up deliveries to the British Isles, plans to initiate an Air Corps ferry service. To eliminate unnecessary shipping relays, Army pilots will pick up planes at manufacturing plants and pilot them to Atlantic coast ports, both American and Canadian, for immediate transshipment to Great Britain. The Army does not plan as yet to fly the planes across the Atlantic, but it is quite possible that even such a policy may be adopted in the near future.

Eventually the Air Corps ferry service will be developed for another purpose, to speed up our own production of aircraft. Few manufacturers of aircraft build all the parts that go into a completely equipped plane in their own plants. After a plane is completed, the manufacturer must wait for the arrival of cannon, machine guns, and other accessories. Under plans now being worked out in Washington, the Army would take these as yet unfinished but entirely airworthy craft and fly them to arsenals and accessory plants for their final equipment. This process, it is believed, would save many weeks and would release valuable space in aircraft plants for increased production.

## Supreme Court

President Roosevelt's nomination of Harlan Fiske Stone as Chief Justice of the United States has been received with virtually unanimous approval. New Dealers have hailed the appointment because, in his 16



SUPREME COURT BUILDING

years of service on the high bench as an associate justice, Mr. Stone has shown himself an outspoken liberal. Republicans are no less pleased because the new Chief Justice is a member of their party. The consensus of opinion is that by choosing a Republican, President Roosevelt made a timely gesture in the direction of uniting American public opinion.

Justice Stone, who will assume his new duties at the fall session of the Court (Senate confirmation is regarded as certain), has been associated with legal work throughout his career. Born on a New Hampshire farm in 1872, he first planned to devote himself to scientific farming but later turned to the law instead. By 1910 he had achieved such a reputation that he was appointed dean of the Columbia University law school. For a few months in 1924 he served in President Coolidge's cabinet as attorney general. His appointment to the Supreme Court the following year evoked a storm of protest in the Senate, where he was accused of being a "tool of the money interests," a charge that was later belied by his judicial opinions.

The nominations of Robert H. Jackson and James F. Byrnes to the high bench were expected. Mr. Byrnes, a native of South Carolina, has been in the Senate since 1930. He is 61 years old. Mr. Jackson, a New York Democrat, has been associated with the New Deal since 1934, rising rapidly from general counsel of the Bureau of Internal Revenue to the position of attorney general.



BUNDLE FOR BERLIN!  
TALBUT IN WASHINGTON NEWS

charged them with carrying on subversive activities. The "request" also covered the Transocean News Service, the German Library of Information, and the German Railroads Information Service, organizations which have all been exposed as propaganda instruments of the Nazis.

By barring the departure of German citizens from this country, the administration has in effect taken hostages to guard against the German government's inflicting reprisals upon American citizens in the Reich.

## Ships for Defense

The rapid growth of the American merchant marine in 1917 and 1918 was one of the wonders of the World War. When President Wilson set up the Shipping Board

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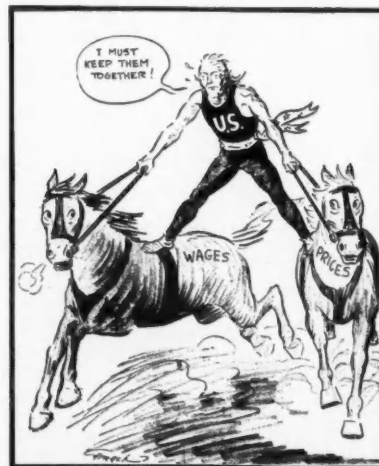
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DON'T LET THEM RUN AWAY, UNCLE!  
CARMACK IN C. S. MONITOR

# The Week Abroad

## Oil to Yokohama

Buried in the confidential files of the rambling, baroque building of gray stone which houses the Department of State, in Washington, is a record of 700-odd cases in which American lives or property have been damaged by the Japanese, during the last decade. Ranging in scope from minor damages inflicted on missionary properties to such larger matters as the sinking of the U.S.S. *Panay*, in December 1937, this record represents an accumulation of wrongs committed since the Japanese invaded Manchuria, in 1931. When U. S. Ambassador Grew carried another protest to the Tokyo government, last week, this time because of damage done the U.S.S. *Tutuila* by Japanese bombers at Chungking, one more incident was added in Washington, the pre-



IN A FIX IF THE VALVE IS TURNED OFF  
BISHOP IN ST. LOUIS STAR-TIMES

vious one having been entered only 10 days before.

At the same time, however, a report of the Foreign Policy Association confirms the general belief that the United States has been supplying Japan with no less than 25,000,000 barrels of oil annually, during the last three years, and that the British have also been engaged in such sales. Questioned about the wisdom of selling such an important material to an Axis member, a Standard Oil Company official replied last week that he could declare no private embargo, that he was willing to stop such sales immediately if asked to do so by the government of the United States, but that he had received no such request.

At the order of the new petroleum coordinator, Secretary Ickes, the Japanese tanker *Azuma Maru* was prevented from carrying 252,000 gallons of lubricating oil from Philadelphia, last week, but it was explained that this action was taken "not on a question of international oil supply, but on coordinating supplies of the east coast."

## Imperial Cabinet

Back in the year 1904, an Imperial Defense Committee was established in London to coordinate the defenses of the British Empire. Lacking specific powers, however, it had to be reorganized in 1923, and today there is some question as to whether it will not have to be reorganized again. Containing members of the British cabinet, the chief of staff of the army, and officers from the dominions on its panel, it wields power in theory but not in practice. At this juncture of the war, the "inner cabinet" wields the real power in Britain, and the dominions function with a certain amount of independence, more as allies than as federated states.

In order to establish a more powerful and tightly knit central board of control for the Empire, the British government is now preparing to call a conference of the dominion premiers, Churchill, the British cabinet, and the various army and navy chiefs of staff from all parts of the

Empire. This move is being made with some reluctance by the British, since they are bearing the brunt of the fight and wish to keep matters in their own hands. But many are becoming convinced that the formation of an imperial cabinet is necessary—a small board on which the best political and military minds of Britain and the dominions will be represented. Such a cabinet was formed in 1917, after the World War had raged for three years, and succeeded in bringing the British and dominion leaders into closer contact than they had enjoyed previously.

## Nazis in B. A.

For some years Americans have been reading in their newspapers, with a certain amount of irritation, reports on the activities of Nazi agents in Latin America. It has become clear that there is not a capital nor a major industrial town where anti-American propaganda has not been spread, where generous bribes have not been handed around, and where German and Italian people who came to this hemisphere as immigrants have not been serving as spies, propagandists, and undercover agents for Berlin and Rome.

Harold Callender, foreign correspondent for the *New York Times*, recently unearthed some facts of unusual interest about the organization of the German underground system in Latin America. The center of all German activity, he says, is Buenos Aires, the Argentine capital, where General Guenther Niedenfuhr has established his headquarters:

Here the Nazi high command oversees and manipulates with military precision and efficiency a system of coordinated diplomacy, propaganda, and trade that is amazing in its completeness and far excels in effectiveness the equivalent American and British activities. For in the German machine every merchant and every clerk is at the command of the authorities and everything is subordinated to a political objective. This, of course, is not the case of the individualistic Americans and British, not even in wartime.

The Nazi organization, according to Callender, is based on three geographic regions of the continent. The Buenos Aires office takes in all Argentina, Uruguay, Paraguay, and southern Bolivia. The German office in Brazil controls matters in that country, Venezuela, and part of Bolivia. The third group takes in Chile, Ecuador, Peru, Colombia, and Panama, but all are subject to the rule of General Niedenfuhr, who is responsible only to Berlin.

## Soviet Lithuania

Twenty-three years ago Lithuania emerged from the World War in a ruin worse than that of Belgium. The havoc wrought by German and Russian troops, and the misery left by centuries of czarist misrule might have dismayed a less hardy

people. But the 2,000,000 Lithuanians recovered quickly. The gently rolling farm lands were parceled out in moderately small lots; the pine forests were well cared for. Lithuanian fishermen cast their nets in the shallow Baltic; men, women, and children wandered along the wind-blown sand dunes seeking ambergris, from which amber and perfume are made. Selling lumber and fish, amber products, flax, rye, potatoes, barley, and oats, Lithuania became prosperous. And it became enlightened. Tax money went into schools, and in due time every village had its high school, and Lithuania had the highest literacy rating in the world.

Nearly a year has passed since Lithuania was taken over again by the Russians and turned into a Baltic province of the Soviet. That year has seen many changes, though Lithuania has been all but cut off from the world. Soviet propagandists often speak of "improved conditions," but no Lithuanian does. In theory, wages have risen. That is, the rates have risen, but skilled workers have been reclassified and forced to work at rates paid to unskilled Russians. The stocks of food, heavy cloth, greatcoats, and shoes have vanished from the shelves of stores. Prices have soared as morale has fallen. William Henry Chamberlin, foreign correspondent of the *Christian Science Monitor*, reports a general feeling of profound depression:

A year of Soviet occupation has been a year of disillusionment. The Soviet Russians have been cut off from the world for so long that what seems to an outside observer extreme poverty is taken for granted. But Lithuania, like the neighboring republics, Latvia, and Estonia, was accustomed to a better standard of living and many years will probably have to pass before it can be "broken in" to Soviet conditions.

## French Corsica

On a map of the Mediterranean the island of Corsica appears to rise from the northern tip of Sardinia like a flame from a stubby candle. Midway between Rome and the French port of Toulon, it stretches 110 miles north and south in a succession of misty headlands, deep valleys, and tall mountains of granite and limestone. The boyhood home of Napoleon, famous for its *vendetti* (or personal feuds), Corsica is an island with a long history and great natural beauty. Its air is clear and bracing, the sea around it is a sparkling blue. Castles of old Corsican nobles rise above sheer cliffs. Rivers plunge precipitously down the west coast into the sea, and in the mountain forests of evergreen oaks, pine, beeches, cork trees, and chestnuts, wild boars, deer, foxes, and smaller game animals are still hunted.

Though unimportant commercially, Corsica is strategically located so as to command the Mediterranean shore of France and the western coast of Italy. Patriotic Italians have resented the fact of French



THE WATERFRONT, CALVI, CORSICA  
From a woodcut by Iain Macnab. From "Artists' Country" (The Studio Publications, Inc.)

rule over Corsica, during the past 126 years. Italian children have been taught that Corsica, like Sardinia, is geographically and racially Italian. Like Nice, Savoy, Tunisia, and Jibuti, it is one of many French possessions Mussolini would like to have.

In Rome, last week, there were signs that Mussolini was preparing a diplomatic campaign to wrest Corsica from France. Corsican revolutionists were acclaimed, and the press showed great interest, but there was a certain furtiveness about the demonstrations, which calls to mind the fact that France and Italy are both more or less subject to the will of Hitler, these days, and so long as the Germans are trying to win over the French, they are unlikely to parcel out French possessions to the Italians. Some observers have noted distinct signs of what might be interpreted as "Roman jealousy" toward France.

## Persian Shah

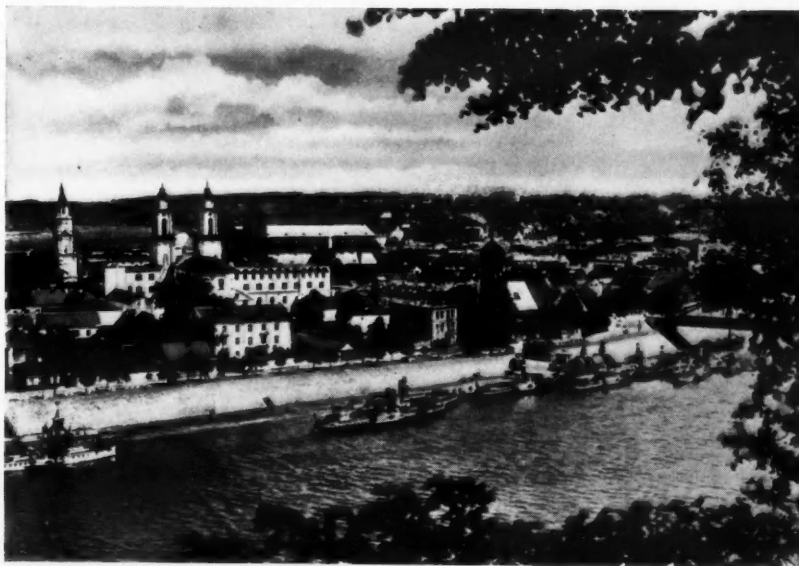
The ruler of mountainous Iran—where Russian, German, and British agents are now playing obscure but important games of intrigue with an eye to strategy and oil wells in the Middle East—is an aging despot by the name of Reza Shah Pahlevi, who once rode as a Cossack cavalryman in the Persian army. Pahlevi has often been compared with Kemal Ataturk, the founder of the Turkish republic. Like Ataturk, the Shah of Iran is an intense nationalist. He has even gone so far as to forbid the use of nameplates on private homes in any but the Persian tongue. But unlike Ataturk he does not pay even lip service to democratic institutions.

Born nearly 70 years ago (his exact age is uncertain), Reza Pahlevi found himself a youth with an honorable name, in Iran, but without a fortune. Forced to seek some sort of profession, he went into the army, gained control of the Cossack brigade he had signed up with, used the brigade as the nucleus of an army, and then made himself the ruler of Iran. Those opposed to him he exiled right and left—all but the fanatical Moslem priests, with whom he finally compromised.

Reza Pahlevi has ruled Iran since 1921. One of his most astute observations, on coming into office, was that Iran was a weak power, and that it was better to deal with strong powers, and gain their support, than bother with political friends and enemies at home. And so, in the 1920's, he turned readily to the British. Now that it is no longer so certain that the British are the dominant power of the Middle East, many are wondering what the old Shah will do next. But the old man with the hook nose and white spreading mustaches who rules Iran with a hand of iron is not yet letting it be known which way he intends to jump—toward Britain, Russia, or Germany.



EUROPEAN  
REZA SHAH PAHLEVI



VIEW OF THE KOVNO, CAPITAL OF LITHUANIA

WIDE WORLD

# Europe Mystified by Reports of Soviet-German Drift Toward War

(Concluded from page 1)

northwest and southwest designed to crush the Red Army at a single stroke, just as the Schlieffen Plan, and its several modifications, envisaged and finally brought about the destruction of France. Suddenly and inexplicably Germany and Russia had come to the brink of war.

## British Are Suspicious

The British watched all these developments first with delight, then with suspicion. They welcomed the thought that they might gain a big, though lumbering ally, and that Hitler might be turning his attentions to the east, but they noted uneasily that neither the people nor the press in Germany and Russia seemed disturbed over the prospect of war, and the British began to wonder if there was really going to be one. When Sir Stafford Cripps returned to London from his post of ambassador at Moscow, and the report began to circulate that he felt any further negotiations with Stalin would be hopeless, some began to believe that it was all an elaborate smoke screen spread by Hitler and Stalin to mask Germany's real intentions which might, among other things, envisage the long-awaited attempt at invading England itself. Later, when it was announced from 10 Downing

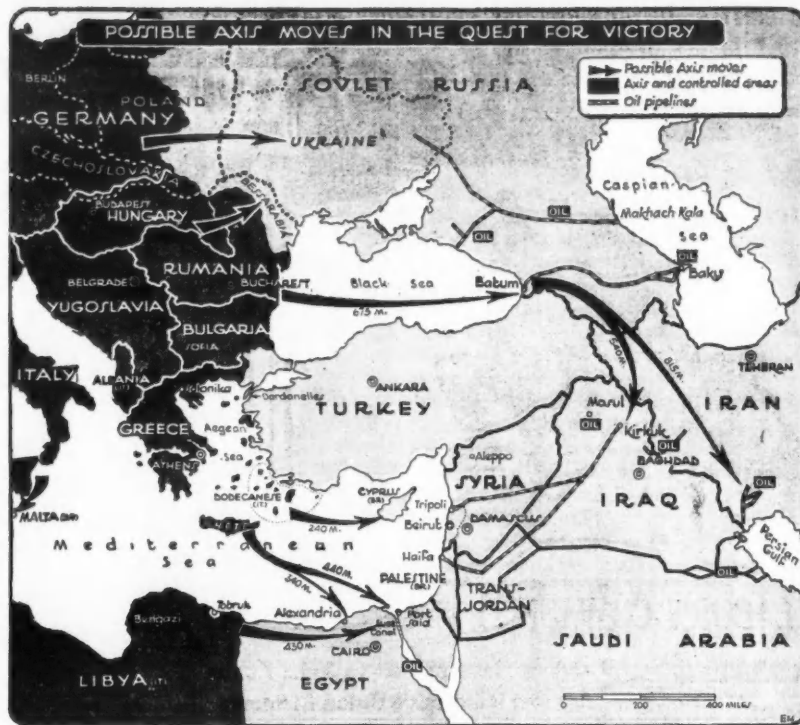
and to feed the occupied lands, and there is no doubt, again, that the Russian Ukraine is a veritable granary, rich in wheat, corn, maize, and crops of all sorts. It is true also that this year's grain crop in eastern Europe does not promise to be a good one, and that Hitler will have to find food somewhere before winter if he wishes to avoid trouble at home. But operations against Russia at this moment would subject the granaries of southeastern Europe to the ravages of war, just as the new crop is beginning to grow, and even if the Russians should be defeated, it is no secret that they will burn all the crops they can as they fall back, simply to keep them out of German hands. Thus a German attack on Russia at the moment would not solve any immediate oil problem, nor any immediate food problem.

When reports from all different capitals are compiled, there are many contradictions. But it does appear that Hitler has made a long series of demands on Russia, and that Stalin has agreed to comply with at least part of them. Of course, the strict German-Russian censorship has hidden the nature of these demands from the public. Generally speaking, however, they seem to fall into two classes. The first series ties up with Hitler's present war against England. Having retired from Syria, for the moment, the Germans are probing other avenues of approaching Britain's bulwarks in the Near and Middle East. One of the most talked-of routes is that across the Black Sea, across Caucasia, the Caspian, and on to the shores of Iran—the mountainous kingdom which borders Russia, Iraq, Turkey, Afghanistan, and India. Since it produces twice as much oil as Iraq, since it borders the Gulf of Aden and the Arabian Sea, and since it lies closer to the heart of Britain's eastern empire than Iraq, Iran would be a valuable plum in Hitler's colonial orchard. But it lies at a great distance from Germany, and Hitler could undertake an expedition to Iran only if assured every possible cooperation from Russia. If Iran is to be brought into the Nazi fold, and Britain outflanked in that way, therefore, Russia must be brought into line first.

## To Offset U. S.

A report from Japan, which appeared early last week, suggests another reason why Hitler may want to settle matters with Russia right away. He is resigned, it is said, to America's entry into the war. That being the case, he expects a long war of attrition. In order to prepare for such a war he must have far greater control over Russia's vast resources than he does now.

According to the Japanese view, his immediate objective is to establish a huge bloc of Axis nations stretching from Japan to France, from the Atlantic to the Pacific, a bloc which will embrace the northern half of two continents and represent the greatest accumulation of power in modern times, or



POSSIBLE AXIS MOVES IN QUEST OF VICTORY

N. Y. TIMES

perhaps in all time. With such a bloc established, Hitler could turn to Britain and America and say, "See how futile it is for you to attempt to reduce our empire either by blockade or by storm. Give up the fight and go home." Or, if this failed, he might marshal all the man power and resources of the European-Asiatic Empire for a long fight. Marshal Goering is reported to have hinted at this when he stated that "Germany needs the Ukraine for a long war against the Anglo-Saxons."

## German Demands

How does Hitler propose to bring this about? At the present stage he is engaged in negotiations with Moscow, on one hand, and in military maneuvers designed to impress Moscow, on the other. Berne reports suggest that he has demanded of Stalin (1) that half the Soviet troops along the Soviet-German and Soviet-Rumanian borders be withdrawn; (2) that Soviet air bases and aircraft at Lwow and Brest-Litovsk be removed at once (apparently because of their proximity to Berlin); that deliveries of gasoline, fuel oil, and foodstuffs be greatly accelerated; (4) that Germans be placed in virtual control of the south Russian railways; and (5) that Germany be permitted to lease large sections of the Ukraine and the Caucasian oil fields outright, or that she be given what amounts to political control over the industries, mines, and transportation systems of the region.

It is possible, of course, that reports of these demands have been greatly exaggerated. Hardly a government in the world could accept demands such as those listed above and survive the internal storm that would be certain to follow, and hardly a nation could accept them and maintain any semblance of independence. If Hitler has

made such demands, observers believe, it is because he has already decided to fight the Soviets and seize what he can of this huge nation before the battle with the English-speaking world really begins in earnest. Some reports indicate that Hitler's generals have been urging this for some time, and this would not be surprising, for the German army of today has long been preparing for a great war to the east. But if Hitler does not want war in the east he will not, as one commentator put it, "push Russia to the point of desperation," but press his demands patiently one by one, each advancing him toward his goal, but no one of them being of sufficient importance to provoke Russia to the point of war.

That something of this sort is going on has been borne out by unofficial admissions in Berlin that a "critical point has been reached" in Soviet-German negotiations—negotiations which are being carried on simultaneously in both capitals. Stockholm and Helsinki, both of them anti-Soviet centers, it should be noted, but also closer to Russian news sources than any other European neutral capitals, both report a rift of some sort between high officials of the Soviet government as a result of Hitler's latest moves. These reports, the sources of which are somewhat obscure, paint Stalin as the chief "appeaser" of the Kremlin, holding out for any deal with Germany that will save his face and avoid war—either because he feels Russia should not enter the war at this time, or because he feels she cannot possibly win it. Those favoring resistance are said to include most of the high officers of the Red Army, with Defense Commissar Semyon Timoshenko at their head. There is no way of checking on the veracity of these reports.

It is a fact that even the best-qualified experts seem uncertain as to what Stalin and Hitler intend to do in regard to each other. Walter Duranty, the pro-Soviet writer for the New York Times, admits, for example, that Russia and Germany seem to be close to the edge of warfare, then adds, "but I shall be surprised if a clash occurs now." He also has this to say:

In the last analysis it all comes down to an estimate of possible causes and signs of conflict—now—between Germany and Russia. There is the mastery of the Black Sea and the Bosphorus and the narrow straits below. And the German conquest of the Slav outposts, Bulgaria and Yugoslavia. The question of who shall be suzerain over Turkey and Iran, and whether Russian aid to China must be stopped so that Japan can draw breath to fulfill her pledges to the Axis. And Soviet shipments of oil, ore, and manganese, and foodstuffs, which Russia needs itself, and the matter of shipments of vital war materials from the east across the U.S.S.R.

The actual military, industrial, and political strength of Russia is so broad and complex a subject that it will be handled separately in a forthcoming issue of THE AMERICAN OBSERVER.



HARVEST MOON  
RUSSELL IN LOS ANGELES TIMES

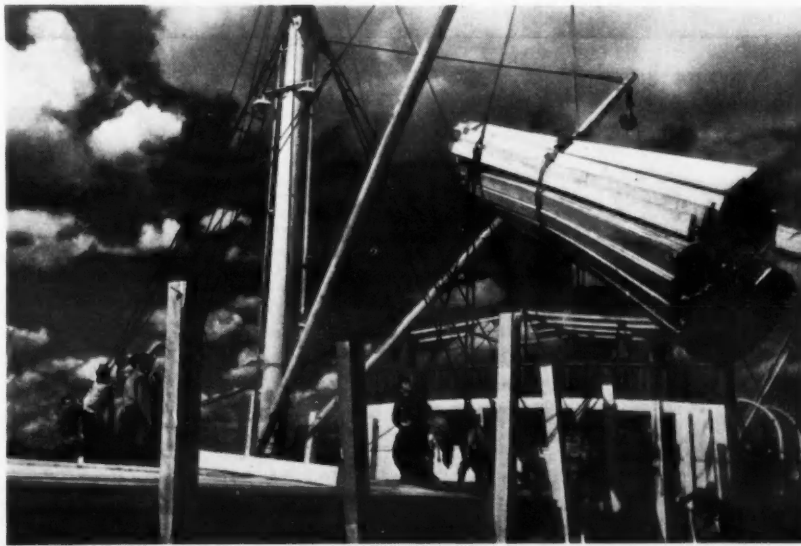
Street that Cripps would return to his post as soon as possible, some of these fears were allayed, but a good deal of suspicion still lingers.

A more widely held view is that Hitler has found he needs the oil, grain, and foodstuffs of the Russian Ukraine to provide fuel and lubrication for his military and industrial machine, and to feed the people of Germany and the occupied countries—and that he must secure these before he can go ahead with the war.

There are several drawbacks to this argument. The first is, on the basis of the best information available, that Germany does not need oil badly enough now to go to war with Russia for it. Noting that Germany's stocks of oil reserves were greater at the outbreak of the war than many British and Allied observers believed, Louis E. Frechtling, in the June 1 report of the Foreign Policy Association, states that the German government has been remarkably successful in producing synthetic oils, in reducing unnecessary consumption, and in saving its oil stocks:

The Reich is not facing actual oil starvation and will not be crippled in the immediate future by a deficiency of oil supplies for the armed forces or for industry. Its requirements of approximately 55,000,000 barrels are just covered by production in western Europe of synthetic and crude oils amounting to 37,000,000 barrels and by imports from Rumania and Russia totaling 17,000,000 barrels. Domestic consumption may be further reduced in order to assure the army and air force of vital supplies. . . . It is not an immediate need, therefore, which may have dictated the recent German drive toward Iraq and Iran, but the desire to secure adequate supplies for the new German empire in Europe.

A somewhat similar situation exists in the case of foodstuffs. There is no doubt that Germany needs them, both for herself



LOADING LUMBER ON A SHIP IN LENINGRAD

SOVPHOTO

# Training an Industrial Army for Defense

(Concluded from page 1)

only 38,500 men. A generation of youth had grown up during the depression without the normal amount of experience in industry. One-time skilled workers, ousted from industry, had made their livings at service stations and behind grocery counters. . . .

Three needs were apparent on prima facie indications—and we proceeded to provide against them without waiting for statistical proof—the need of upgrading or supplementing the skills of presently employed skilled workers and adapting them to the precise needs of defense; the need of reviving or refreshing the rusty skills of those workers in misplaced employment; and the need of a widespread increase in the vocational training system for the purpose of giving inexperienced people, old and young, whether unemployed or in relief employment, the basic training upon which semi-skills, and in time higher skills, could be built.

## Training Program

The aid of a number of government agencies was immediately sought to carry out this undertaking. The Bureau of Employment Security, a division of the Social Security Board, had valuable machinery for the task. It had employment offices, 1,500 of them, in every state and city in the nation. The particular duty of this agency was to take an inventory of America's manpower—to determine the number of workers with various skills and semi-skills. Moreover, this agency was in a position to direct the flow of workers to defense industries; that is, to supply needed workers for various localities in an orderly and efficient fashion. The Bureau of Employment Security has played a vital role in this program of training and supplying workers for defense industries.

The training of workers themselves was soon undertaken. This job called for the cooperation of all agencies of government whose facilities might be useful in training the industrial army. It was also a question of coordination in order to avoid duplication and waste and to promote the maximum efficiency. The principal agencies involved in the training program are the United States Office of Education, the Work Projects Administration, the United States Civil Service Commission, the Federal Committee on Apprenticeship, the National Youth Administration, and the Civilian Conservation Corps. Through the cooperation of the American Federation of Labor and the Congress of Industrial Organizations, the support of labor unions all over the country was solicited.

Let us see what each of these agencies has done in training workers for defense. First, there are pre-employment courses, supervised by the U. S. Office of Education, given in vocational and trade schools throughout the nation. These are courses in the basic mechanical operations, designed to familiarize the inexperienced worker with certain fundamental skills. As an average during the last year, about 55,000 trainees have been taking these courses. Altogether nearly half a million persons have received these pre-employment courses of training.

## Other Courses

There are supplementary courses, out-of-hours courses for employed or experienced workers. The purpose of these courses is to upgrade workers to higher and special skills, required by the defense program. "These courses," Dr. Reeves tells us, "are geared in so far as possible to the direct needs of local defense industries and to their approaching needs, this being made possible by the advisory work of the employment service, the various agencies, and the committees of labor and management." Dr. Reeves gives the following example of how this part of the program is carried out:

As an example, the Murray Corporation of Detroit plotted its need of 8,000 workers for airplane manufacture in advance; classes were expressly set up to train those workers; the prospect is that 80 per cent of the labor requirement of that plant will be met by the trainees of those classes. There are many other instances. As an average for the past year, there have been 98,000 trainees in these supplementary courses. The total of individuals trained has reached 524,000.

There are also courses for out-of-school



THE DEFENSE PROGRAM REQUIRES MUCH SKILLED LABOR

WIDE WORLD

youth, largely rural youth. These courses are both general and specialized. Like the others, they are geared to meet the needs of the particular regions in which they are located. The number of young persons receiving training has been nearly half a million.

The National Youth Administration has an ambitious training program which dovetails into the general picture. It has more than 4,000 workshops throughout the nation, and has more than 300,000 young persons taking its courses. It is sending workers to jobs at the rate of about 25,000 a month. For training purposes, abandoned factories and second-hand machinery are used by the NYA. From simple operations, this program advances to the more complicated skills.

These are some of the outstanding features of the defense training program that is now in progress. In a year's time, more than 1,500,000 men and women, young and old, have received training in these courses offered in schools and workshops. One gains a better idea of the magnitude of the accomplishment when one considers that during the period of our participation in the first World War, only 65,000 workers were trained in the nation's vocational schools.

But the training program directly undertaken by government agencies is by no means the only effort that is being made to train defense workers. More and more emphasis is being placed upon training workers by industry itself. Not only is industry being urged to establish training



THE GOVERNMENT'S TRAINING PROGRAM IS EXTENSIVE

NYA PHOTO

The Civilian Conservation Corps' program has similarly been shaped to meet the needs for defense workers, providing instruction in a wide variety of defense jobs, such as truck driving and mechanical skills of varying complexity.

Since the demand for various types of engineers has increased as a result of the defense program, the cooperation of the engineering schools has been obtained. Full-time and part-time courses are offered in the various branches of engineering. Nearly 100,000 individuals have received training courses through this medium.

programs for green workers, but also to set up systems by which workers may be upgraded—may progress from one skill to another until they have learned the various specialized skills required. Dr. Reeves gives us an idea of the function of this particular program:

The in-plant training, or training-within-industry, is a system which has, of course, been applied for years by certain of the largest industrial corporations, which have perceived the truth that the workshop can be, and ought to be, also a school. . . .

Up to this time, 22 training-within-industry centers have been established in various

parts of the country, each with an industrial training expert in charge; each is assisted by a panel of aides, two drawn from management and two from organized labor. These area groups stand ready to go into a plant, study its processes, devise and install systems for training the workers while production is going on. The significance of this development in worker-training, its possible future effects upon the efficiency of industry, can hardly be overstated. As more and more employers see the futility of trying to hire skilled workers at the plant gates, or the worse futility of hiring them away from other defense plants by the process of labor-pirating, it is to be expected that this training-within-industry will spread. To the worker, it offers the chance to upgrade his skill and to rise. To plant management, it provides leadership for an increase in the number of shifts, money-saving through a more rapid breaking-in of new workers; and it is the key to a perpetual replacement system such as every efficient plant should have.

## Future Needs

If the training program has already produced substantial results, the future demands upon it are likely to be considerably greater. In the defense program, time is of the essence and the demands for workers are likely to be greater during the next year than they have been during the last. The aircraft and shipbuilding industries alone are expected to require an additional 500,000 workers during the coming year, most of them highly skilled. Already an expenditure of \$40,000,000,000 for defense is contemplated and few expect this figure to be the limit of the defense effort. As the expenditures are made at a more rapid pace, the demands for skilled workers will increase accordingly and a redoubled effort must be made to provide them.

With the relatively small demands made by the defense program—small in comparison with those of the future—acute shortages of skilled workers have appeared in certain fields. Dr. Reeves gives a few concrete examples of the shortages which have developed:

Our national system of public employment offices, in the two-month period ending June 1, 1941, received 15 times as many employer requisitions for die designers as they had die designers registered. They received 16 times as many requests for tool designers as they had tool designers on their lists. For shipyard loftsmen, the ratio of employer requisitions to listings was 35 to 1; for boatbuilders, 40 to 1; aircraft woodworkers, 40 to 1; template makers, 49 to 1; detail assemblers in aircraft, 50 to 1. While these are extreme cases, it is quite as grave a matter that the need for machine-shop diemakers exceeded the listings by 7½ to 1, and toolmakers 12 to 1. In certain essential foundry skills the ratio was 2 or 3 to 1; in certain steel construction skills, 1½ to 1.

These figures cannot be interpreted as meaning that these needed skilled men do not exist; but they are certainly not on the great register of more than 5,000,000 available workers which the 1,500 offices of the federal-state employment system have compiled; the best that could be true would be that the men of these skills may be found in non-defense employment, the worst would be that they do not exist in the nation at all.

There is at present no general labor shortage, numerically, although there may be at a later date. There is, in fact at the present time, a too-abundant supply of potential labor among our unemployed. But we are now in the early stages of a period of shortage in certain particular skills—skills without which the entire defense program will be handicapped—so that the problem of mobilizing our manpower for defense comes to a central focus on this skill problem. There are from 70 to 80 of the rarer skills on the scarcity list at the present time. We must provide against the day when the list will grow longer and the skill-shortage more general and acute.

## Expansion Seen

The months ahead will see a concerted attempt to make the most efficient use of the nation's manpower in the interest of national defense. It will see an expansion of the present program to transfer the reservoir of unskilled workers into workers who can handle the specialized operations required by the defense program. It will consist of training young people, just out of school, to handle jobs requiring technical skill. It will also consist of eliminating the waste which comes from the migration of labor.

UNTIL a formula is worked out by which the strike problem in defense industries is satisfactorily handled, the American people will continue to debate the various angles of this vital national issue. While there are many conflicting viewpoints as to the concrete procedure which should be used, an overwhelming majority of the American people are agreed that the defense effort must move forward uninterruptedly. William Allen White, dean of American journalists, gives a sweeping view of the problem by comparing the sacrifices demanded of workers with that of the young men who have been inducted into the Army. In an editorial appearing in the *Emporia Gazette*, he gives his views on the subject:



I WANT THE POWER TO DRAFT BOTH  
BRESSLER EDITORIAL CARTOON

This spring a hundred boys and young men from this town left with our local company of the National Guard for training at Camp Robinson. They will be away from home and away from their jobs for at least a year, maybe two years, maybe three. These years will be the best years of these young men's lives. They are well fed, of course, and well housed and well clad and healthy and all that. But the best years of their lives, when they might be going forward in the world, are taken from them rather ruthlessly and without recourse, by their government. When they come home they will get a pension, but that is not much to the best of them, compared with these three years.

In the meantime, all over this country men in industry are asked to work, to work hard, to save our country from a danger that no one now minimizes. We are in real peril. Yet these men in shops, paid munificently compared with any other wages labor ever had or has elsewhere in the world, today are slowing down the defense program in strikes. They make futile all that the boys in the defense camps are doing. Indeed, these strikers, delaying munitions and implements of war, may bring sudden and terrible death to these other boys who have left their jobs entirely, who are giving the best years of their lives to their country.

They are all young men together who should all be keenly sensitive to their country's need and danger. Is it fair that one set of boys who are giving everything should be exposed to danger, and the country these soldiers are serving should be exposed to immeasurable calamity, merely because men at the bench are using the right to strike and are striking at the heart of our country, the same country that these men giving years of their lives are defending?

If there is anything in democracy, it is the capacity of the people to do justice, one to another. Is it fair, is it democracy, to let this grave injustice run unrebuked and unchecked in the time of our country's peril?

## Black Markets

All over France there have sprung up numerous so-called "black markets" where rationed goods or items not available at all in regular stores can be bought and sold. Because of the general shortages, the government has sought to equalize distribution by ration cards and by fixing prices. But these measures have merely encouraged more and more people to engage in the illegal black market trades. The government fixes the price of some merchandise and promptly it disappears off store shelves to be sold under cover at prices greatly above that officially established.

The French government, Andrey Sedyh writes in the current *Living Age*, has taken severe steps to combat the dealers in the black market, but the evil appears to be beyond effective control:

They fix the price of onions, and onions disappear. They set the price of chestnuts, and there isn't a single chestnut to be found and

# News and Comment

no one knows where they went. Eggs, poultry, rabbits, all vanish, and then come profitable days for speculators. "Someone in gray" mysteriously announces:

"You can get chickens, 60 francs the kilo."

"But the official price is 40 francs?"

The man looks at you with commiseration.

"The merchant is taking a risk and that risk must be paid for."

That happens to be true. The merchant risks a lot. His store may be closed up, he may have to pay a fine, even go to prison. (But) the black market's innumerable agents are hard to catch. There's the farmer disposing of a piece of cheese or a dozen of eggs under cover. Then there's the barber telling a client, with a mysterious air, that he has a few pieces of genuine Marseilles soap left—some people pay up to 50 francs for a pound of Marseilles soap. And there's the restaurant waiter selling sugar at 65 francs per kilo, while the official price of sugar is seven francs.

## Nine Speeds Forward

The men who pilot the big trucks along our highways at night live in a sort of special world of their own. It is a world of red, green, and white lights, a narrow ribbon of white roadway with darkness on either side, all-night diners and gas stations. The drivers know each other and each other's trucks, filling station attendants, and waitresses along the routes; they know which roadside stands sell good coffee and pie and which do not. They are part of the community of people who work along the highways by night.

There are two kinds of cross-country truck drivers, according to Richard Thruelsen in the June 14 *Saturday Evening Post*—"through" drivers, who work in pairs and take their trucks long distances (sometimes on 40-hour runs), and relay drivers who go out on the road alone, drive 10 hours or so, and turn their truck over to another driver at a relay point. It is a gruelling life, with no vacations, hard schedules, and long periods away from home. An average case, among 1,439,000 road drivers in the United States, is that of Ralph Webber, who picks up \$51 a week along the Pennsylvania Turnpike.

Every evening but one in the week, Webber climbs into his roomy cab and pulls out of the terminal with about 24,000



DOW CHEMICAL CO.  
TRUCK ON THE ROAD

pounds of freight behind him, 285 miles of road ahead, and an intricate system of nine gear shifts, calling for a change in forward speed at the slightest change in grade. The author continues:

Though there are no statistics, the average age of the road drivers is probably under 30. The long hours and the wear and tear of the job make it a young man's occupation. No one knows just where the drivers go when they feel they've had enough of the road. A few take inside jobs in the trucking industry and become freight dispatchers, maintenance men, or salesmen. Some buy a second-hand truck and start their own small



HAMILTON WRIGHT PHOTO  
CAMEL CARAVAN ON THE SAHARA DESERT

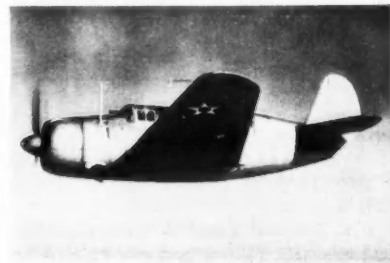
business. Others turn to factory work or dock labor and not a few find their way back to the farm whence they started.

## No Supermen Needed

One of the more spectacular features of the war has been the extensive use by Germany of dive-bombing *Stuka* planes. In the June number of *Science Digest*, Seymour Kail and Harold Keen write that "stories of the terror spread by this weapon have inspired the impression that supermen must pilot these terrible meteors of death as they plunge downwards at speeds of hundreds of miles an hour—that no craft in the world can match the new scourge of the skies."

But dive bombing requires no supermen, nor even super-pilots. It is part of the course which pilots take at the Navy's flying school at Pensacola, Florida. The pilot must naturally be in good physical condition and to become a crack dive bomber he must have plenty of practice. But he need not have unusual stamina.

Tales of Germans swooping down at speeds of 500 to 600 miles per hour [the writers assert] are pure fantasy. To unseasoned ground troops or householders, the thunderous plunge of the men from the sky may seem to be at this great velocity. Actually, most dive bombing is done at speeds a little more or a little less than 350 miles per hour. At



W. W.  
U. S. NAVY DIVE BOMBER

greater speeds the plane is too difficult to control. The slightest movement of the stick would throw the plane off course.

## Ship of the Desert

From time immemorial the camel has served mankind as a beast of burden in the arid lands of the world. He is highly specialized. Thick pads cushion his feet; long lashes shield his keen eyes from the blinding glare of the desert sun. His nostrils, which detect the scent of water at great distances, he can close at will against dust. Equipped with his own reserve stocks of food and water, he shambles for great distances under loads sometimes reaching half a ton. As he chews his cud reflectively, with that air of scornful detachment peculiar to camels, he gives the impression of good will and great patience. But it is a false impression, as his drivers know. Camels are by nature suspicious, short-tempered, and hostile toward humankind.

There are probably more than 5,000,000 camels in the world today, from West Africa to Australia and Siberia, and now that war is raging in the "camel lands" they are being given considerable attention. According to a recent study of camels released by the Imperial Bureau of Animal Nutrition, in Scotland, the camel does not carry his reserve water either in his hump or in his stomach, contrary to general impressions. The hump furnishes him with fat alone (about 80 pounds), while some 10

gallons of water are distributed evenly throughout his ungainly frame. When the hump is exhausted, the camel needs three or four months of rest and feeding. He is very dependent upon salt.

## What Youth Thinks

Now that the commencement exercises in universities all over the country are over and a new batch of college graduates have been turned out into the world to go their separate ways, one is interested in their reaction to the world which they are now



GEO. A. SMITH PHOTO  
GRADUATION—WHAT LIES BEYOND?

entering. Willard Thorp, professor of English at Princeton University, attempts, in an article in the *New York Times Magazine*, to analyze what was in the minds of the thousands of college graduates as they went through commencement exercises:

The graduate of 1941 has been keel-hauled again and again in the past three months. Having struggled to come to some conclusions about the rights and wrongs of the war, he was next faced by the draft. Should he enlist; should he wait for his board to call him? Should he try for a commission and so give over to the Army or Navy an indefinite number of the years of his youth? Suddenly, before these problems could be settled, came these golden opportunities in business and industry. Older men should remember that the members of this college generation have come to look upon themselves as the real "lost generation"—born to the inheritance of the depression. Overnight they find themselves the children of fortune.

These seductive offers would make it possible to pay off college debts, to store up something for further study, to get married right away. But what of honor? Here is a typical situation. A worried senior dropped in on his undergraduate counselor a few mornings ago. "What shall I do?" he asked, spreading out on the desk five letters. Four were offers of jobs, two with essential industries. The fifth was the questionnaire from his draft board. Will the board permit him to accept one of these attractive offers? Should he if they allow him to?

## Beans from Heaven

The amazing little soybean—which the Chinese call the celestial plant—continues to find new fields of conquest. Once scorned by the American farmer except for its soil-enriching properties, the soybean has now become one of this country's leading crops and threatens to outpace some of its rivals. In the June-July number of *Nature*, Andrew S. Wing tells a few of the uses to which this plant is being put:

Your breakfast toast may contain soybean flour; your bacon may come from soy-fattened hogs. The salad oil you use at lunch; the nuts you munch at teatime; the soap you use; even the rayon underwear you have on; all these may derive from the humble soybean.

If you drive a car some of the plastic parts, and perhaps the enamel, contain soybean meal or oil; while the white line on the highway you carefully avoid very likely is soybean paint.

About the turn of the century (Mr. Wing continues), farmers in the Midwest began to wake up to the potentialities of the soybean as American farm crop. . . . There was no great market for the soybean then, except for seed, as its industrial uses had not been discovered, and it was at a disadvantage compared with corn, oats, and other crops because of the difficulty of harvesting it. . . . It did not attain real popularity until about 1926 when (it was discovered) that the soybean could be profitably harvested by the combine method. Since then the acreage in Ohio, Illinois, Indiana, Iowa, and other states has gone up steadily until the bean has crowded ahead of oats and is even threatening cotton and other crops as an export item.